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Compound Planning's tech-driven approach fuels 80% AUM growth in one year
By Rob Burgess
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New York-based digital family office Compound Planning recently passed the \$2 billion AUM mark and now has over 30 financial advisors.

The firm — which specializes in high-net-worth and ultrahigh-net-worth clients — has seen its AUM grow by over 80% in less than a year. It also recently added six more financial advisors — Andy Park, David Pender, Jesse Porter, Kristen Smith, Reed Nothwang and Scott Ward — bringing its 2024 new hires to 21.

Compound Planning offers tax management, investment strategy, borrowing and more on a digital platform and uses Fidelity and Schwab as custodians, said CEO and co-founder Christian Haigh.

Haigh grew up in the U.K. and came to the U.S. to attend Harvard University. He dropped out after three years to become the co-founder and general partner of Legalist, a private fund sponsor with approximately \$1 billion in assets under management. That firm, he said, is focused on alternative assets.

Later, in 2021, he took a step back from his other ventures, including Legalist, to start Alternativ Wealth.

Compound Planning was formed when Compound, a financial and tax advisor for tech executives, merged with Alternativ Wealth in September 2023. From the beginning, Haigh said he found the technology in the wealth management industry to be "incredibly backward."

"A lot of antiquated technology that ... hasn't kept up with advances," he said. "A lot of point solutions that solve specific problems and then in the technology stack, but they don't integrate well together. They don't speak to each other in a way that makes it easy for advisors to manage their books of business."

This was where the focus on creating a digital family office firm came into play. Technology is woven into every aspect of its services, said Haigh. The firm built its own financial planning software to create customizable client portfolios. Haigh said the next great financial institution will be an operating system that advisors use to manage their books of business and to interface with their clients exceptionally.

"[We] realized that this opportunity was only going to grow," he said. "There isn't an Apple of wealth management. There's no leading service that everybody uses because it delivers some parallel quality and value. Ultimately, that's what we want to build."

Looking to the future, on the subject of artificial intelligence, Haigh said he didn't think that there's ever a replacement for the trust that a human has with another human. He said it would continue to be an increasingly helpful assistant for financial advisors who want to dedicate more of their time to serving their clients.

"But I do think that AI will help those advisors to be able to do more and more for their clients with better accuracy and efficiency," he said. "A lot of the low-level work can be taken on by AI while the advisor is then able to leverage themselves and provide more of the strategic advice that a client needs."